

Markets

SFE 200 Futures (9.30am AEDT)	7462	-90	-1.2
NZX 50	11666	-74	-0.6
DJIA Futures	38333	-551	-1.4
S&P 500 Futures	4971	-70	-1.4
NASDAQ Futures	17677	-288	-1.6

Local Markets Commentary

The Australian market opens mid-week trade with the \$A at ~US64.55c, and another wave of high-profile stocks, including a major domestic bank, reporting earnings, ahead of further key international inflation and growth data tonight.

US equities markets dropped in concert overnight.

Locally today, no influential economic data releases are anticipated.

The focus will remain on sector fortunes, via earnings reports and outlook commentary.

Regionally today, it's polling day for Indonesia's general election.

China's markets remain closed for the week.

In overnight **commodities** trade, **oil** rose by ~1.0%.

US **gold** (Comex) futures fell by greater than 1.0%, closing beneath \$US2010/oz.

Iron ore (Nymex CFR China, 62% Fe) continued slightly higher, settling above \$US129.00/t.

US **copper** futures settled US1c/lb lower, at \$US3.71/lb.

Last night's **LME** final 3-mth evening price updates were unavailable from IRESS at time of publication. These are expected to become available via IRESS by 11.30am AEDT.

The \$A tumbled below US64.50c after falling to ~US65.10c earlier yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	38273	-525	-1.4
S&P 500	4953	-69	-1.4
NASDAQ	15656	-287	-1.8
FTSE 100	7512	-61	-0.8
DAX 30	16881	-157	-0.9
Shanghai Composite	2866	Public	Holiday

Overseas Markets Commentary

Major European and UK equities markets opened cautiously overnight, but swung yet lower when US January CPI figures were released. Key US indices dropped on opening.

The US January CPI inflation update had represented stronger than expected annualised growth, further dampening prospects of an interest rate cut before mid-year.

Today's Stock Watch
Commonwealth Bank of Australia (CBA)

\$2.15 fully franked interim dividend from \$2.10 a year ago. 8% lower, \$4.76B interim NPAT. 3% lower, \$5.02B cash profit. 3% lower, \$13.58B revenue. 0.1% higher, 12.3% CET1. \$415M loan impairment, against \$511M. NIM down 0.11% to 1.99%; 0.06% lower for the six months. Optimistic regarding Australia's economic outlook.

AMP Ltd (AMP)

AMP has appointed AMP non-executive director and former Adelaide & Bendigo Bank (ASX: BEN) MD Mike Hirst as chair, effective at the end of the 12 April AGM.

Mr Hirst will take over from Debra Hazelton.

Paying a 2c, 20%-franked final dividend from 2.5c, 20%-franked a year ago.

32% lower, \$265M full year NPAT.

27% higher, \$2.98B revenue.

Downer EDI (DOW)

6c interim dividend from 5c a year ago.

5.9% higher, \$72.1M interim NPAT.

1.9% lower, \$6.026B income.

GUD Holdings (GUD)

18.5c fully franked interim dividend from 17c a year ago.

19.5% higher, \$51.4M continuing operations interim NPAT.

8.6% higher, \$492.64M revenue. \$344,376 net debt.

Seven Group Holdings (SVW)

Flat 23c fully franked interim dividend.

40.9% lower, \$188.9M interim NPAT. 17.1% higher, \$5.39B revenue. \$4.99 NTA from \$4.65 at 30 June 2023.

\$1.07B cash and equivalents.

Computershare Ltd (CPU)

40c, 20%-franked interim dividend from 30c unfranked a year ago. 40.6% lower, \$105.22M NPAT.

6.7% higher, \$1.61B revenue. \$1.24B cash and equivalents.

IDP Education (IEL)

25c, 19.25c-franked interim dividend from 21c, 25%-franked a year ago. 18% higher, \$97.2M interim NPAT. 15% higher, \$579.1M revenue.

Domain Holdings Australia (DHG)

Flat 2c fully-franked interim dividend. 72.5% higher, \$24.36M interim NPAT. 10.5% higher, \$203.51M revenue.

Resources
Evolution Mining (EVN)

4% lower, \$98.9M interim NPAT. 18% higher, \$1.34B contract revenue. Flat 2c fully-franked interim dividend.



The \$US was subsequently pushed to a three-month peak and treasury yields to two-month highs.

Large-cap and consumer discretionary stocks fell notably.

Meanwhile in Europe, media reports emerged that Germany's government was preparing to issue a revised 0.2% 2024 GDP forecast – from 1.3% predicted in October 2023.

Earlier yesterday, Japan reported no change in producer prices during January, but annualised 0.2% producer price inflation, the same year-on-year rate as recorded for December.

Australia's consumer confidence index in the meantime surged by 6.2% in January, against expectations for a 0.8% decline following December's 1.3% fall. The bounce was mostly attributed to much-reduced expectations, during the survey period, of near-term interest rate increases.

The new reading of 86 however, remained decidedly below the 100 cut-off point between pessimism and optimism.

Among overnight economic data releases, **UK** January unemployment claims grew by 14,100, far exceeding expectations for a 6000 increase following a 5500 December rise.

Average earnings (excluding bonuses) for the December quarter came in 6.2% higher than for the December quarter 2022 following a 6.7% September quarter annualised climb. Forecasters had anticipated a year-on-year 6.0% increase for the new quarter.

The unemployment rate for December fell by 0.1% to 3.8% against consensus for 4.0%.

Meanwhile, the UK conducted a 10-year index-linked treasury gilt auction which produced a 0.634% yield from 0.423%.

In the **euro zone**, the ZEW February economic sentiment index showed an improvement, to 25.0 from 22.7, defying consensus for a deterioration to 20.1.

The ZEW February economic sentiment index for **Germany** jumped 4.7 points to 19.9 against expectations of a smaller rise to 17.5.

The current conditions component index however, fell further, to -81.7 from -77.3, exceeding the magnitude of decline ventured by forecasters.

In the **US**, the January CPI inflation reading represented 0.3% inflation growth for the month and 3.1% year-on-year, against respective expectations of 0.2% and 2.9%.

The annualised inflation rate for December had been recorded at 3.4% following 0.2% growth for the month.

The NFIB January small business optimism index was reported at 89.9 from 91.9.

Tonight in the **US**, a final reading for December producer prices is due, together with weekly mortgage applications.

Elsewhere, the UK reports January CPI growth and the euro zone issues a second estimate for December quarter GDP.

In addition, the UK hosts a 10-year treasury gilt auction and Germany a 30-year bond auction.

Companies listed to report earnings or provide updates later today and tonight include: Albemarle Corp, Barrick Gold, Cisco Systems, Doosan Robotics, Essilor Luxottica, Heineken, Kraft Heinz, Norsk Hydro, Novatek, Occidental Petroleum, Olympus, Sony and Toyo Tire & Rubber.

Pre-Open Announcements

GrainCorp Ltd (* GNC)

Anticipating \$65M - \$95M FY24 underlying NPAT. Today's AGM materials lodged.

Fletcher Building (* FBU)

FBU has entered suspended trade.

CEO Ross Taylor is retiring from FBU, effective on a new appointment or at the conclusion of a six-month notice period.

In addition, chair Bruce Hassall will relinquish his FBU post at the company's AGM.

Reporting a \$NZ120M interim net loss, following a \$NZ92M NPAT a year ago.

1% lower, \$NZ4.25B revenue.

Resources

Patriot Battery Metals (PMT)

Conference presentation lodged post-trade yesterday.

PMT settled at 78c yesterday after closing out last week at 85c.

Toubani Resources (TRE)

TRE non-executive director Mark Strizek has resigned from the TRE board.

Trading Halts

Company	Code	Resuming
Comet Ridge	COI	14 Feb
Elixinol Wellness	EXL	14 Feb
Hammer Metals	HMX	15 Feb
Heavy Minerals	HVY	14 Feb
Lion One Metals	LLO	15 Feb
Norwest Minerals	NWM	14 Feb
Nova Eye Medical	EYE	14 Feb
PainChek Ltd	PCK	14 Feb
Singular Health Group	SHG	14 Feb
Suvo Strategic Minerals	SUV	15 Feb

Suspensions (selected)

Company	Code	Since
Advanced Health Intelligence	AHI	5 Feb
Credit Intelligence	CI1	12 Feb
DomaCom Ltd	DCL	12 Feb
DMC Mining	DMM	23 Jan
European Lithium	EUR	6 Feb
Fletcher Building	FBU	14 Feb
Galena Mining	G1A	11 Jan

**Commodities**

COMMODITY	CLOSE	\$US/	+/-	%
Gold (COMEX 100 Apr)	2007.2	oz	-25.8	-1.3
Silver (COMEX 5000 Mar)	22.15	oz	-0.62	-2.8
Platinum (Spot)	872	oz	-18	-2.0
WTI Crude (NYMEX Mar)	77.87	bbl	0.95	1.2
Brent Crude (ICE EUR Apr)	82.77	bbl	0.77	0.9
Iron Ore (NYMEX CHN port;62%Fe)	129.02	t	0.15	0.1
Copper (LME 3mth Evening) (12Feb)	8235	t	65	0.8
Nickel	16046	t	112	0.7
Aluminium	2227	t	8	0.4
Lead	2025	t	-9	-0.4
Zinc	2320	t	19	0.8
Tin	27301	t	926	3.5

Commodities Commentary

Oil – OPEC’s monthly oil report, published yesterday evening (AEDT), included 0.1% upward revisions for the organisation’s 2024 and 2025 global growth forecasts, to 2.7% and 2.9% respectively.

The report also included estimated 26.34MMbbl/d OPEC January output, down 350,000bbl/d for the month.

Oil prices gained despite a \$US push higher on expectations of elevated interest rates for longer than recently anticipated. Further, premiums rose for front-month contracts over longer-term ones.

Meanwhile, the latest negotiations towards an Israel-Gaza cease fire were reported to have ended without definitive progress.

A weekly US petroleum inventories report is due tonight from government agency the EIA.

Overnight post-US trade, the American Petroleum Institute (API) published a weekly report which included an 8.52MMbbl build for US crude stocks last week.

The International Energy Agency’s (IEA) monthly petroleum market report is expected overnight tomorrow.

Gold – the US January CPI inflation update damaged overnight gold sentiment, the reading pushing the \$US to three-month peaks. Gold prices fell to three-month lows.

A UK inflation reading follows tonight, together with a second estimate for euro zone December quarter GDP.

Base metals – overnight trade considerations included international growth and interest rate move expectations, and an associated \$US rally. Inventories also remained influential, however.

Japan reported an ~14% year-on-year drop in January machine tool orders early yesterday evening (AEDT), representing more than a year’s worth of monthly annualised declines and underscoring weak domestic and international demand.

Miners in Indonesia, and those competing for international export share, are on alert for outcomes from Indonesia’s presidential election for which official in-person polling takes place today.

In early overnight trade, copper gained on relatively low warehouse stocks.

China’s markets will remain **closed** for the week.

Moab Minerals	MOM	5 Feb
Pan Asia Metals	PAM	1 Feb
Revasum Inc	RVS	5 Feb
Reward Minerals	RWD	7 Feb
Theta Gold Mines	TGM	13 Feb

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
DDR	Today	15	100	2.80
PL8	Today	0.55	100	5.57
VG1	Today	5	100	5.32
KOV	Tomorrow	25	100	6.17
RG8	Tomorrow	5	100	4.95
SCG	Tomorrow	8.35	0	5.27
ARG	Fri	16.5	100	3.82
SYM	Fri	35	100	1.13

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	AMP	Full year
	AUI	Interim
	CBA	Interim
	CPU	Interim
	DHG	Interim
	DXS	Interim
	DOW	Interim
	EVN	Interim
	FBU	Interim (w/cast tele 9am)
	GNC	AGM
	GUD	Interim (w/cast 8.45am)
	IEL	Interim
	RIC	Interim
SVW	Interim	
Tomorrow	ARF	Interim
	BFG	Full year
	BLX	Interim
	DTL	Interim
	DUI	Interim
	GMG	Interim
	HPI	Interim
	MFG	Interim (tele 11.30am)
	MGH	Interim
	NWH	Interim
	ORG	Interim
	PGH	Interim
	PME	Interim (w/cast tele 11am)
RIC	Interim	

**Exchange Rates**

CURRENCIES	LAST	+/-	%
AUD – USD	0.6456	-0.0059	-0.91
EUR – USD	1.0712	-0.0052	-0.48

US Data Tonight

Producer prices (final)	Dec
MBA mortgage applications; 30-year interest rates	9 Feb

Other Overseas Data Today & Tonight

UK	CPI	Jan
Euro zone	GDP (2 nd estimate)	Dec Q
Euro zone	Industrial production	Dec
Russia	Inflation	Jan

Need More Information?

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, advice@stateone.com.au

Disclaimer / Disclosure / General Advice Warning / Confidentiality Notice

This market opener and its contents always remain the property of State One Stockbroking Ltd ("State One") and as such cannot be reprinted, distributed, copied, posted on the internet, in part or whole, without written prior approval from State One.

The contents of this document constitute General Advice and have been prepared without taking account of your investment objectives, financial situation or needs. Because of that you should, before taking any action to acquire or deal in, or follow a recommendation (if any) in respect of any of the financial products or information mentioned in this document, consult your own investment advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

While State One believes information contained in this document is based on information which is believed to be reliable, its accuracy and completeness are not guaranteed, and no warranty of accuracy or reliability is given or implied and no responsibility for any loss or damage arising in any way for any representation, act or omission is accepted by State One or any officer, agent or employee of State One. If applicable, you should obtain the Product Disclosure Statement relating to any relevant financial product mentioned in this document (which contains full details of the terms and conditions of the relevant financial product) and consider it before making any decision about whether to acquire the financial product.

The directors and associated persons of State One may have a long or short interest in the financial products discussed in this document and they may earn brokerage, commissions, fees and advantages, pecuniary or otherwise, in connection with the making of a recommendation or dealing by a client in such financial products. Additionally, State One may earn fees due to having been appointed advisors to, or may be undertaking or about to commence research relating to, any of the companies mentioned herein.

	RUL	Interim (webinar 10am, Fri 16 Feb)
	S32	Interim
	TLS	Interim
	TWE	Interim (w/cast tele 10.30am)
	VCX	Interim
	VVA	Interim (webinar 11am)
	WES	Interim
	WHC	Interim
Fri	ASX	Interim
	COF	Interim (w/cast 11am)
	CQR	Interim
	CWY	Interim
	DRR	Interim
	HDN	Interim (w/cast tele 10.30am)
	IAG	Interim
	ING	Interim
	IPL	Interim
	QBE	Full year